

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

In Re:

KYLE D. MORSE, and
REBECCA A.M. MORSE,

Chapter 13
Case No. 16-53681-lsg
Hon. Lisa S. Gretchko

Debtors.

PROPOSED POST-CONFIRMATION PLAN MODIFICATION

Now Come the Debtors, Kyle D. Morse and Rebecca A.M. Morse, by and through counsel, GOLD, LANGE, MAJOROS & SMALARZ, P.C., and state as follows in support of this Proposed Post-Confirmation Plan Modification:

1. A proposed Order Modifying Plan, stating the specific relief requested, is attached herein as “Exhibit 1.”
2. The above-captioned matter was filed on October 5, 2016.
3. The Debtors’ 60-month Chapter 13 Plan of Reorganization was confirmed on February 11, 2017.
4. The Debtors are 100% paid into their Chapter 13 Plan, and the Plan is on course to meet all plan requirements by plan expiration.
5. Pursuant to a term of the confirmed Plan, the Debtors are required to remit 100% of any federal income tax refund to which they are entitled to receive during the pendency of their Chapter 13 Plan.

6. For the tax year ending December 31, 2017, the Debtors received a federal income tax refund in the amount of \$7,974.00. A copy of the 2017 federal income tax refund has been sent to the Chapter 13 Trustee.
7. For the tax year ending December 31, 2018, the Debtors received a federal income tax refund in the amount of \$1,397.00. A copy of the 2018 federal income tax refund has been sent to the Chapter 13 Trustee.
8. For the tax year ending December 31, 2019, the Debtors received a federal income tax refund in the amount of \$1,828.00. A copy of the 2019 federal income tax refund has been sent to the Chapter 13 Trustee.
9. For the tax year ending December 31, 2020, the Debtors received a federal income tax refund in the amount of \$2,559.00. A copy of the 2020 federal income tax refund has been sent to the Chapter 13 Trustee.
10. On the petition date, the Debtors owned a 2008 Toyota Scion, a 2011 Chevy Traverse and a 2012 Honda NC700X. At that time the Toyota was owned free and clear, and the Traverse and Honda had payments.
11. Since that time the Traverse was surrendered to the secured creditor and the Honda was paid off. The Debtors' plan payment has increased twice during the course of the Plan, commensurate with both the surrender of the Traverse and the Honda being paid off.

12. Following the surrender of the Traverse, Mrs. Morse's father gifted the Debtors a Pontiac, which the Debtors drove until it broke down and could not be repaired.
13. The Pontiac was replaced by a Toyota Matrix that was gifted to Mr. Morse. The Debtors drove that vehicle until it too broke down and could not be repaired.
14. In May 2021, the Mr. Morse purchased a 2009 Chevrolet Traverse to replace the Toyota Matrix. Mr. Morse paid \$11,953.94 cash for this vehicle. Proof has been sent to the Trustee.
15. The Debtors have also incurred approximately \$2,000 in medical bills. Proof has been sent to the Trustee.
16. The Debtors seek to excuse remittance of their 2017, 2018, 2019 and 2020 federal income tax refunds into the Chapter 13 plan, as the Debtors have incurred the aforementioned reasonable and necessary living expenses.
17. The proposed Plan modification will not impact any class of creditors, as all creditors will receive the same amount as contemplated under the confirmed Plan. (Liquidation Analysis, Plan Worksheet and Plan Calculation are attached).

18. Accordingly, the Debtors seek to modify Their Chapter 13 Plan Pursuant to L.B.R. 3015-2(b) as follows:

- a. Excuse the Debtors from having to remit their 2017 federal income tax refund, in the amount of \$7,974.00, into the Chapter 13 Plan;
- b. Excuse the Debtors from having to remit their 2018 federal income tax refund, in the amount of \$1,397.00, into the Chapter 13 Plan;
- c. Excuse the Debtors from having to remit their 2019 federal income tax refund, in the amount of \$1,828.00, into the Chapter 13 Plan;
- d. Excuse the Debtors from having to remit their 2020 federal income tax refund, in the amount of \$2,559.00, into the Chapter 13 Plan.

Respectfully Submitted:

Dated: October 4, 2021

GOLD, LANGE, MAJOROS &
SMALARZ, P.C.

By: /s/ Jason P. Smalarz
JASON P. SMALARZ (P71042)
24901 Northwestern Hwy., Ste. 444
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jsmalarz@glmpc.com

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ORDER MODIFYING PLAN

This matter has come before the Court upon the Notice of Proposed Post-Confirmation Plan Modification. The Court finds that the Notice of Proposed Post-Confirmation Plan Modification has been duly served upon all parties in interest and that no response thereto has been timely served upon the Debtor or Trustee. The Court has reviewed this Order and finds good cause to grant the relief requested; and now, therefore:

IT IS HEREBY ORDERED that, for good cause shown, the Debtors are excused from remitting their 2017 federal income tax refund, in the amount of \$7,974.00, into the Chapter 13 Plan.

IT IS FURTHER ORDERED that, for good cause shown, the Debtors are excused from remitting their 2018 federal income tax refund, in the amount of \$1,397.00, into the Chapter 13 Plan.

IT IS FURTHER ORDERED that, for good cause shown, the Debtors are excused from remitting their 2019 federal income tax refund, in the amount of \$1,828.00, into the Chapter 13 Plan.

IT IS FURTHER ORDERED that, for good cause shown, the Debtors are excused from remitting their 2020 federal income tax refund, in the amount of \$2,559.00, into the Chapter 13 Plan.

IT IS FURTHER ORDERED that in all other respects, the plan and order confirming plan, as last modified, shall remain in full force and effect.

EXHIBIT 1

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

In Re:

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Notice of Deadline to Object to Proposed Chapter 13 Plan Modification

The deadline to file an objection to the attached proposed chapter 13 plan modification is 21 days after service.

If no timely responses are filed to a proposed post-confirmation plan modification, the proponent may file a certificate of no response and request entry of an order approving the plan modification.

If a timely objection is filed, the Court will set the matter for hearing and give notice of the hearing to the debtor, the proponent of the plan modification, the trustee and any objecting parties. In that event, the plan modification will become effective when the Court enters an order overruling or resolving all objections.

Objections to the attached proposed chapter 13 plan modification shall be served on the following:

Jason P. Smalarz
Attorney for Debtors
24901 Northwestern Hwy., Ste. 444
Southfield, MI 48075

Krispen S. Carroll
Chapter 13 Standing Trustee
719 Griswold, Suite 1100
Detroit, MI 48226

GOLD, LANGE, MAJOROS &
SMALARZ, P.C.

Dated: October 4, 2021

By: /s/ Jason P. Smalarz
JASON P. SMALARZ (P71042)
24901 Northwestern Hwy., Ste. 444
Southfield, MI 48075
(248) 350-8220
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CERTIFICATE OF SERVICE

I hereby certify that on October 4, 2021, I electronically filed:

- Proposed Post-Confirmation Plan Modification
- Proposed Order Modifying Plan
- Notice of Deadline to Object to Chapter 13 Plan Modification
- Certificate of Service (Proposed Post-Confirmation Plan Modification)

with the Clerk of the Court using ECF system which will send notification of such filing to the following:

Office of the United States Trustee
211 W. Fort Street, Suite 700
Detroit, MI 48226

Office of the Chapter 13 Trustee
Krispen S. Carroll
719 Griswold, Suite 1100
Detroit, MI 48226

and I also hereby certify that I mailed by First Class Mail with the United States Postal Service copies of the above noted documents to the following non-ECF participants:

All parties listed on the Court's matrix of creditors.

Respectfully submitted,

Dated: October 4, 2021

/s/ Christen Wilder
Christen Wilder, Legal Assistant
Gold, Lange, Majoros & Smalarz, P.C.
24901 Northwestern Hwy., Suite 444
Southfield, MI 48075
Phone: (248) 350-8220
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